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December 4th, 1959

COCOM Document No. 3711.NI 1/1

COORDINATING COMMITTEE

RECORD OF DISCUSSION

ON

NEW CHEMICAL AND PETROLEUM EQUIPMENT ITEM NO. 1

29th October, 23rd, 24th and 30th November, 1959

Present: Belgium (Luxembourg), Canada, France, Germany, Italy, Japan, Netherlands, United Kingdom, United States.

References: COCOM Documents Nos. 3700.5, 3711.00/1, New Item No. 1/W.P.1 and 2.

1. The UNITED STATES Delegation proposed that a new item be added to List I reading as follows:

"Electric vacuum furnaces as follows:

- (a) Consumable electrode vacuum arc furnaces;
- (b) Skull type vacuum arc furnaces;
- (c) Electron beam vacuum furnaces."

In a memorandum dated the 23rd November the Delegation submitted a description of the equipment concerned.

2. Pending examination of this new memorandum by Governments, Delegations based their comments on instructions received previously.

3. The FRENCH Delegate asked whether all the furnaces involved in the United States proposal were used solely to refine strategic metals, or whether some of them also treated non-strategic metals. In the latter event, he asked the United States Delegate to indicate what characteristics should be specified in order to exclude such types.

4. The UNITED STATES Delegate explained the reasons for his authorities' belief that an embargo was justified under all three of the Committee's criteria. He stated that in the United States most metals and alloys made in vacuum furnaces were used for military production or related metallurgical development. The United States in its proposal had not sought coverage for all vacuum furnaces but only for three types which were illustratively described in a separate memorandum. The United States Delegate stressed that although the Bloc had military needs comparable to those of the United States for the metal and alloys produced in such furnaces, the position of the Bloc in such equipment was substantially below that of the United States. Its availability of such furnaces in the desirable variety of types and sizes was seriously lacking, and in numerous aspects of such furnaces the Bloc's technology remained substantially behind that of the United States and of some other countries in the Free World. In general, the United States Delegate emphasized the use of such furnaces for the production and alloying of high quality steels and ferrous alloys, for the production of non-ferrous metals and alloys which found primary use in strategic applications and for the production of high purity metals which held great promise for meeting advanced military needs. He indicated that the furnaces were used for the production of special castings as well.

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5. The GERMAN Delegate expressed doubts as to whether the furnaces concerned were designed specially or used principally for military purposes. As regards technology, the situation in the Eastern Bloc was certainly no worse than in the West and, in some respects, it was better. The German authorities were opposed to an embargo on the types referred to in part (a) of the proposed definition. These were in current use in Germany. While not convinced that an embargo on types referred to in parts (b) and (c) would be fully justified, they might be prepared to accept it provisionally. They would give careful study to the new United States memorandum and comment further during the second round of discussion.

6. The UNITED KINGDOM Delegate stated that the types of furnace specified under parts (a) and (b) of the definition were produced in the United Kingdom and involved no particular technological know-how. They were used for moulding high-purity alloy steels of no special strategic significance. The United Kingdom authorities therefore saw no reason to embargo these types. Regarding part (c) they were not in a position to comment.

7. The FRENCH Delegation, referring to Item 1125(c), which embargoed "Electric furnaces specially designed for the recovery of titanium or zirconium from scrap", asked the United States Delegation to study the matter again and endeavour to submit during the second round a revised wording along the following lines:

"Fours électriques à vide spécialement conçus pour le traitement ou l'élaboration d'alliages soumis à l'embargo."

("Electric vacuum furnaces specially designed for the treatment or development of embargoed alloys").

8. The ITALIAN Delegation reserved their position pending study of the new United States memorandum.

CONCLUSION: The COMMITTEE noted that agreement had not been reached on the proposed new item, and agreed to resume its study during the second round of discussion.

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